Carbon Footprint Assessment for Businesses: How Indian Companies Can Measure Their Emissions

A simple, step-by-step guide for Indian businesses that want to track, reduce, and report their carbon emissions the right way.

What Is a Carbon Footprint Assessment?

A carbon footprint assessment is the process of measuring the total greenhouse gases a business releases into the air. These gases include carbon dioxide, methane, and a few others that trap heat and cause climate change. For a company, this includes emissions from electricity use, fuel burning, transport, waste, and even the products or services it buys from other companies.

In simple words, a carbon footprint assessment tells a business exactly how much it is polluting, where the pollution is coming from, and what can be done to bring it down. It is the first and most important step before any company can claim to be sustainable or work towards a net zero target.

Why Indian Companies Need to Measure Emissions Now

Carbon footprint assessment is no longer just a trend followed by large global brands. It has become a real business need for Indian companies too, for several reasons.

First, the Securities and Exchange Board of India (SEBI) has made Business Responsibility and Sustainability Reporting (BRSR) mandatory for the top listed companies, and this reporting requires detailed emission data. Second, many Indian exporters now have to share carbon data with overseas buyers because of rules like the EU Carbon Border Adjustment Mechanism (CBAM). Third, banks, investors, and large corporate clients are increasingly asking their vendors and partners to show proof of low-carbon practices before signing new deals.

On top of these external pressures, measuring emissions also helps companies save money. Most of the time, high emissions simply mean wasted energy, wasted fuel, and wasted raw material. So a carbon footprint assessment is not just good for the planet, it is good for business too.

Understanding Scope 1, Scope 2, and Scope 3 Emissions

Before starting any assessment, it helps to understand the three categories used across the world under the Greenhouse Gas (GHG) Protocol, which is the most widely accepted framework for carbon accounting.

Scope 1 covers direct emissions from sources a company owns or controls, such as company vehicles, diesel generators, or boilers running on site.

Scope 2 covers indirect emissions from the electricity, steam, or heating that a company buys and uses in its offices or factories.

Scope 3 covers all other indirect emissions across the value chain, such as emissions from suppliers, business travel, employee commuting, product transport, and even how customers use and dispose of the product later. For most companies, Scope 3 is actually the largest share of the total footprint, even though it is the hardest to track.

Step-by-Step Process to Measure Your Carbon Footprint

A proper carbon footprint assessment usually follows these steps:

- Set boundaries: Decide which offices, factories, or business units will be included in the study, and pick a base year for comparison.
- Collect activity data: Gather bills and records for electricity, fuel, water, raw materials, travel, waste, and logistics.
- Apply emission factors: Convert each activity, such as one litre of diesel or one unit of electricity, into an equivalent amount of carbon dioxide using standard emission factors published by agencies like the Central Electricity Authority (CEA) or the IPCC.
- Calculate total emissions: Add up emissions across Scope 1, Scope 2, and Scope 3 to get the complete carbon footprint, usually shown in tonnes of CO2 equivalent (tCO2e).
- Identify hotspots: Find out which activities or departments contribute the most emissions, since these areas offer the biggest opportunity for reduction.
- Report and disclose: Present the findings in a clear report, aligned with frameworks such as BRSR, GRI, or the GHG Protocol, so it can be shared with regulators, investors, or customers.
- Set targets and act: Use the data to set realistic reduction targets and build an action plan, whether that means switching to renewable energy, improving logistics, or upgrading old machinery.

Common Challenges Faced by Indian Businesses

Many Indian companies, especially small and medium enterprises, find carbon footprint assessment confusing at first. Some of the common challenges include lack of proper data records, confusion between different reporting standards, limited in-house expertise on carbon accounting, and difficulty in collecting Scope 3 data from suppliers who may not track their own emissions.

This is where working with an experienced sustainability consultant becomes valuable. A good consulting partner can simplify the process, choose the right emission factors for the Indian context, and prepare a report that actually meets regulatory and buyer requirements, instead of a generic template copied from another country.

Benefits of Doing a Carbon Footprint Assessment

Beyond compliance, a carbon footprint assessment gives Indian businesses several real advantages. It builds trust with customers and investors who care about sustainability. It helps companies qualify for green loans and ESG-linked financing. It improves brand image in both domestic and export markets. It also

uncovers cost-saving opportunities by pointing out where energy or fuel is being wasted, and it prepares the business for future carbon taxes or stricter climate regulations that are likely to expand in the coming years.

How UA Consultants Can Help

UA Consultants has been supporting businesses since 2001, helping them understand complex requirements and turn them into practical action. When it comes to carbon footprint assessment, our team studies your operations, collects the right data, applies recognised emission factors, and builds a clear, audit-ready report that fits your industry and size. Whether you are a manufacturer preparing for CBAM, a listed company working on BRSR disclosures, or a growing business that simply wants to understand its environmental impact, we make the process simple and useful, not just a paperwork exercise.

Frequently Asked Questions

Q1. What is the difference between a carbon footprint and a carbon audit?

A carbon footprint is the total amount of greenhouse gases a business produces, while a carbon audit is the detailed process used to measure, verify, and document that footprint. In short, the footprint is the result, and the audit is the method used to arrive at it.

Q2. Is carbon footprint assessment mandatory for all companies in India?

It is currently mandatory for the top listed companies under SEBI's BRSR rules, and increasingly expected from exporters and large suppliers. Smaller businesses are not legally required to do it yet, but many choose to start early to stay ready for future rules and client demands.

Q3. How often should a business measure its carbon emissions?

Most businesses carry out a carbon footprint assessment once every year. This yearly cycle makes it easy to track progress, compare results with the previous year, and adjust reduction targets based on real performance.

Q4. How long does a carbon footprint assessment take to complete?

The timeline depends on company size and data readiness. A small or medium business with organised records can often complete an assessment in three to five weeks, while larger companies with multiple locations may take a couple of months.

Final Thoughts

Carbon footprint assessment is quickly becoming a standard business practice in India, not just a compliance checkbox. Companies that start measuring their emissions today will be better prepared for upcoming regulations, stronger with investors, and more attractive to environmentally conscious customers.

The process may look technical at first, but with the right approach and the right support, it becomes a straightforward exercise that brings real value to the business. If your company is ready to understand and reduce its carbon footprint, UA Consultants is here to guide you through every step, from data collection to

final reporting.